

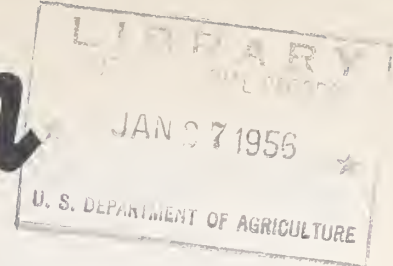
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# Foreign CROPS AND MARKETS



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## CONTENTS

	PAGE
COTTON	
Mexico Increases Cotton Production and Exports.....	31
Slight Improvement in Venezuela's 1955-56 Cotton Crop.....	34
Turkey's Cotton Exports Decline in 1954-55.....	35
Japan Plans to Control Exports of Cotton Fabrics and Secondary Products.....	36
DAIRY AND POULTRY PRODUCTS	
Irish Dairy Situation, January-September 1955.....	23
New Zealand Dairy Trade: Review of First Year in Free Market.....	24
New Zealand Initiates New Wholesale Cheese Prices.....	25
Egypt Exempts Dairy Products From Special Duty.....	25
FATS, OILSEEDS, AND OILS	
Netherlands' New Whaler to Take Part in 1955-56 Expedition.....	37
India to Initiate Quality Control on Oilseeds and Oil Exports.....	37
Greek Olive Oil Estimate Reduced Again; Exports Banned as Prices Shoot Up.....	37
FRUIT, VEGETABLES, AND NUTS	
French Report Moroccan Citrus Shipments Poor in Quality.....	21
Tasmanian Apples Damaged by Hail.....	39
GRAINS, GRAIN PRODUCTS, FEEDS, AND SEEDS	
U.S. Wheat and Flour Exports Continue Upward.....	20
Argentine Grain Exports Continue Downward Trend.....	23
New Feed Mill Under Construction in Dominican Republic.....	29
Australia Forecasts Better Wheat Harvest for 1955-56.....	30
Australia Increases Guaranteed Wheat Price.....	30
Jamaica Announces Flour Import Specifications.....	38
LIVESTOCK AND MEAT PRODUCTS	
U.S. Net Exporter of Cattle Hides, Calf and Kip Skins.....	26
Australian Wool Prices.....	27
Trade Barriers Limit French Imports of U.S. Packing House Products.....	28
Brazil to Import U.S. Lard.....	28
Denmark Entering New Cattle Markets, Expanding Old Ones.....	29
Uruguayan Government Decrees Export Payment for Wool Tops.....	39
TOBACCO	
Argentina's 1956 Tobacco Harvest A Record High.....	18
Philippine-Taiwan Barter Agreement Includes Tobacco.....	18
Syrian-East German Trade Agreement Includes Tobacco.....	19
Syria Discontinues Production of Abu Riha Tobacco.....	19
.....	.....
REGIONAL AGRICULTURAL DEVELOPMENTS	
Federation of Rhodesia and Nyasaland Seeks to Increase Fertilizer Output...	19
Nyasaland Plans to Up Agricultural Output Through Big Irrigation Project...	21
Jamaica Allocates Additional Dollars for Imports.....	33

## ARGENTINA'S 1956 TOBACCO HARVEST A RECORD HIGH

Tobacco production for the 1956 harvest in Argentina is expected to set a new record. The 1956 harvest is estimated at 91.0 million pounds from 99,132 acres as compared with the 1955 harvest of 67.0 million pounds from 84,733 acres. Most of the increase occurred in air-cured types produced mainly in the Corrientes district where the 1955 harvest was drastically reduced due to extremely heavy rains. The 1956 flue-cured harvest is estimated at 24.2 million pounds as compared with 19.8 million pounds from the 1955 harvest and may create a surplus problem if favorable weather conditions continue. Plantings of Burley and Kentucky dark fire-cured were about the same as a year ago, whereas the 1956 harvest of the cigar types is anticipated to decline 6 percent.

## PHILIPPINE-TAIWAN BARTER AGREEMENT INCLUDES TOBACCO

Representatives of the Philippine and Chinese Nationalist Governments, according to a recent report, have reached an agreement for the barter of \$2 million worth of goods from each country. This agreement includes Philippine leaf tobacco as one of the items to be exchanged for goods from Taiwan. At present, the effective date of this new trade arrangement has not been confirmed by the respective governments.

The agreement has no termination date but requires each nation to set aside, as a swing balance, 5 percent of the \$2 million. Also, goods shipped in excess of the \$2 million ceiling would be paid for in dollars.

### FOREIGN CROPS AND MARKETS

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SYRIAN-EAST GERMAN TRADE  
AGREEMENT INCLUDES TOBACCO

A trade and payments agreement was signed in Damascus between the Communist East German and the Syrian Governments on November 27, 1955. The new trade arrangement includes Syrian leaf tobacco as one of the items to be exchanged for East German industrial goods.

SYRIA DISCONTINUES PRODUCTION  
OF ABU RIHA TOBACCO

The Syrian Tobacco Monopoly has recently stated that the production of Abu Riha (Latakia leaf) will be discontinued due to lowered demand and the accumulation of large stocks which have forced the price to abnormally low levels. Shak El Bint, an oriental type, will be substituted on most of the Abu Riha acreage. Other oriental and semi-oriental varieties will be increased to some extent. Larger quantities of these types are needed to meet domestic requirements and provide additional supplies for export.

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FEDERATION OF RHODESIA AND NYASALAND  
SEEKS TO INCREASE FERTILIZER OUTPUT

In an attempt to do away with the need for importing fertilizers into the Federation of Rhodesia and Nyasaland, a \$9-million expansion plan has been announced for a fertilizer plant near Salisbury, Southern Rhodesia. The plant is operated by African Explosives and Chemical Industries (Rhodesia), Ltd.

Both imported and local raw materials will be used to manufacture superphosphates in the expanded plant, with production expected to be 150,000 tons annually. Existing facilities will continue to produce compound fertilizers.

It is claimed that by 1958 only nitrogen fertilizer will have to be imported--and the possibility of producing nitrogeneous fertilizers as part of the vast Kariba Power Project is now being investigated.

The high cost of imported fertilizers has been one of the important factors limiting expansion of crop yields in the Federation; and has been an important cost factor in recent increased production of hybrid corn in Southern Rhodesia.

# U. S. WHEAT AND FLOUR EXPORTS CONTINUE UPWARD

Wheat and wheat flour exports from the United States during the first four months (July-October) of the current 1955-56 marketing season amounted to 80.2 million bushels grain equivalent compared with 74.4 million bushels during the corresponding period a year ago. This represents an increase of almost 10 per cent. (Cont'd., opposite page.)

## United States Wheat and Flour Exports During Stated Periods

Destination	July-October 1954			July-October 1955		
	Wheat	Flour 1/	Total	Wheat	Flour 1/	Total
	(Thousands of bushels, Grain Equivalent)					
<b>Western Hemisphere</b>						
Canada.....	2	4	6	1,296	98	1,394
Mexico.....	1	1	2	157	7	164
Cuba.....	496	901	1,397	153	910	1,063
Central America.....	182	1,103	1,285	309	1,392	1,701
Colombia.....	76	82	158	812	17	829
Venezuela.....	52	932	984	42	1,533	1,575
Peru.....	351	46	397	1,683	59	1,742
Chile.....	-	54	54	1,388	3	1,391
Brazil.....	4,550	2/	4,550	2,274	-	2,274
Others.....	1,045	2,320	3,365	541	2,091	2,632
<b>Total.....</b>	<b>6,755</b>	<b>5,443</b>	<b>12,198</b>	<b>8,655</b>	<b>6,110</b>	<b>14,765</b>
<b>Europe</b>						
United Kingdom.....	10,954	78	11,032	3,487	520	4,007
Netherlands.....	2,133	1,207	3,340	8,518	1,227	9,745
Belgium-Luxembourg...	2,118	7	2,125	1,341	7	1,348
Germany.....	9,251	2/	9,251	8,570	2/	8,570
Spain.....	2,254	-	2,254	545	3	548
Italy.....	19	7	26	1,071	415	1,486
Yugoslavia.....	8,625	-	8,625	6,097	2	6,099
Greece.....	33	-	33	1,371	-	1,371
Others.....	2,585	700	3,285	1,281	651	1,932
<b>Total.....</b>	<b>37,972</b>	<b>1,999</b>	<b>39,971</b>	<b>32,281</b>	<b>2,825</b>	<b>35,106</b>
<b>Asia</b>						
Israel.....	1,063	4	1,067	1,772	3	1,775
Indonesia.....	-	51	51	-	352	352
Japan.....	11,030	180	11,210	18,651	232	18,883
Philippines.....	1	1,569	1,570	-	1,220	1,220
Others.....	3,857	1,529	5,386	2,735	2,228	4,963
<b>Total.....</b>	<b>15,951</b>	<b>3,333</b>	<b>19,284</b>	<b>23,158</b>	<b>4,035</b>	<b>27,193</b>
<b>Others</b>						
Africa.....	1,177	1,724	2,901	1,436	1,633	3,069
Oceania.....	-	7	7	-	6	6
Miscellaneous.....	-	57	57	3	70	73
<b>Total.....</b>	<b>1,177</b>	<b>1,788</b>	<b>2,965</b>	<b>1,439</b>	<b>1,709</b>	<b>3,148</b>
<b>World Total.....</b>	<b>61,855</b>	<b>12,563</b>	<b>74,418</b>	<b>65,533</b>	<b>14,679</b>	<b>80,212</b>

1/ Wholly of United States wheat.

2/ Less than 500 bushels.

The outstanding developments revealed by a comparison of the export data for the periods under reference are the large increases in exports to Japan and the Netherlands and the large reductions in exports to the United Kingdom, Yugoslavia, and Brazil. Exports to Canada, Peru, Chile, Italy, and Greece also show substantial increases. On the other hand, exports to Norway, Spain, the Philippines, and Formosa show substantial reductions.

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#### FRENCH REPORT MOROCCAN CITRUS SHIPMENTS POOR IN QUALITY

Trade sources indicate that shipments of citrus fruit from French Morocco have been arriving in France in poor condition. Decay is unofficially estimated to be as high as 80 percent in some boxes of clementines and up to 13 percent in some boxes of oranges. The French Moroccan citrus crop is of poor quality because of unfavorable weather conditions. Rains have prevented the proper coloring of the fruit, and warm humid weather has lessened keeping qualities. Despite the poor quality, total exports of Moroccan citrus are about 37 percent above exports from last year's short crop.

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#### NYASALAND PLANS TO UP AGRICULTURAL OUTPUT THROUGH BIG IRRIGATION PROJECT

Nyasaland, smallest but most densely populated of the three territories of the Federation of Rhodesia and Nyasaland, has announced the beginning of a 10-year, large-scale irrigation and hydroelectric project in the Shire River Valley to cost about \$215 million.

By control of the levels of Lake Nyasa and the Shire River, it is proposed as one phase of the project to bring into cultivation by irrigation or by prevention of periodic flooding 120,000 or more acres for intensive cotton production and some food crops. The plan also provides for resettlement of Africans from adjoining densely populated areas in southern Nyasaland to the proposed new area of agricultural production.

Most of Nyasaland's present cotton production (varying from 9,000 to 13,000 bales annually in the last three years) is exported to the United Kingdom. Textile mills may be built to consume some of the cotton and power from the project. The new power source would also offer possibilities for development of reported bauxite resources.



Argentina's Grain Exports During July-November, 1954 and 1955

Destination	Wheat		Rye		Corn		Oats		Barley		Total	
	July-November	1955	July-November	1955	July-November	1955	July-November	1955	July-November	1955	July-November	1955
	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955
	Metric tons											
Brazil .....	343,905:	725,240:	-	-	-	-	2,715:	-	-	-	346,620:	725,240
Chile .....	152,783:	66,810:	-	-	-	-	-	-	-	-	152,783:	66,810
Paraguay .....	24,019:	12,901:	-	-	-	-	-	-	-	-	24,019:	12,901
Peru .....	86,972:	80,782:	-	-	1,850:	-	-	-	-	-	88,822:	80,782
Austria .....	15,650:	42,122:	8,421:	-	17,967:	2,033:	6,184:	2,941:	-	-	48,222:	47,096
Belgium .....	98,153:	42,559:	950:	6,050:	116,719:	60,922:	44,672:	-	26,159:	16,219:	286,653:	125,750
Czechoslovakia:	17,135:	9,983:	-	-	63,840:	-	-	-	-	57,945:	80,975:	67,928
Denmark .....	43,415:	30,814:	1,120:	5,566:	33,845:	-	8,202:	-	-	400:	86,582:	36,780
Finland .....	16,000:	58,110:	18,084:	29,700:	3,000:	9,598:	500:	-	-	4,200:	37,584:	101,608
France .....	-	1,300:	-	2,100:	83,790:	50,213:	1,100:	-	-	3,500:	84,890:	57,113
Germany .....	253,530:	54,166:	11,860:	2,500:	273,091:	18,801:	14,736:	-	119,384:	67,101:	672,601:	142,568
Hungary .....	8,000:	-	-	-	31,593:	-	-	-	-	-	39,593:	-
Italy .....	70,703:	129,200:	4,341:	83,378:	44,213:	13,033:	8,861:	6,385:	-	17,744:	128,118:	249,740
Netherlands ..	57,376:	60,296:	4,355:	7,520:	171,591:	16,876:	69,630:	-	14,131:	33,906:	317,083:	118,598
Norway .....	-	11,400:	-	12,000:	5,850:	-	-	-	-	-	5,850:	23,400
Poland .....	-	7,900:	20,532:	-	-	-	-	-	-	-	20,532:	7,900
Rumania .....	-	-	-	-	12,831:	-	-	-	-	-	12,831:	-
Sweden .....	-	1,587:	-	-	27,980:	9,788:	4,570:	-	-	-	32,550:	11,375
Switzerland ..	17,946:	5,380:	6,412:	-	21,866:	8,850:	43,339:	-	1,259:	6,193:	90,822:	20,423
United Kingdom:	135,863:	105,641:	-	-	273,476:	5,258:	-	-	3,626:	-	412,965:	110,899
Lebanon .....	-	1,700:	-	-	-	-	-	-	-	-	-	1,700
China .....	11,548:	-	-	-	-	-	-	-	-	-	11,548:	-
Japan .....	90,461:	-	-	-	90,805:	-	-	-	-	-	181,266:	-
British Africa:	8,308:	-	-	-	-	-	-	-	-	-	8,308:	-
French Africa:	-	-	-	-	501:	-	-	-	-	-	501:	-
Canary Islands:	-	-	-	-	22,950:	-	-	-	-	-	22,950:	-
Total .....	1,451,767:	1,447,891:	76,075:	148,814:	1,297,758:	119,537:	204,509:	9,326:	164,559:	207,208:	3,194,668:	2,008,611



# ARGENTINE GRAIN EXPORTS CONTINUE DOWNWARD TREND

Argentine grain exports during the first five months (July-November) of the 1955-56 fiscal year amounted in the aggregate to 2.0 million metric tons compared with 3.2 million tons in the corresponding months of 1954-55, an over-all reduction of 37.1 percent. The decline is due to much lower exports of corn and oats. Wheat exports remained at about the same level but those of rye and barley were much higher than a year ago.

Slightly more than half of the 1.5 million tons of wheat thus far exported during the current fiscal year went to Brazil. Most of the balance went to European markets--notably Italy, the United Kingdom, the Netherlands, Finland, and the Republic of Germany. All of the rye, corn, oats, and barley went to European countries. (See table, opposite page.)

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## IRISH DAIRY SITUATION, JANUARY-SEPTEMBER 1955

Ireland forecasts milk production for 1955 at 3 percent below last year's record of 5.5 billion pounds. The forecast is based on receipts at creameries during the first 10 months of the year. During the first 9 months of the year butter production was down 6.3 million pounds from the 736 million pounds produced during the same period in 1954. Cheese production, however, has shown a consistent increase and during the January-September 1955 period stood at almost 4.3 million pounds compared to the 3.6 million pounds produced during the January-September 1954 period.

Dairy product export figures for the first three quarters of 1955 do not necessarily reflect the decreased production. On a milk equivalent basis, exports are up 7.7 percent over 1954. Butter exports increased almost 0.5 million pounds over the 2 million pounds exported during the first three-quarters of 1954. Butter stocks on September 30, 1955, however, were down 9 million pounds from the same date in 1954.

In spite of increased cheese production, exports of Irish cheese decreased 46 percent from the 416,000 pounds shipped during the first 9 months of 1954.

Canned milk exports for the same periods were less than one-third of the 2.4 million pounds shipped in 1954. Dried milk exports, on the other hand, more than doubled and stood at 2.1 million pounds during the January-September, 1955 period. (Cont'd., next page.)

As reported in the October 17, 1955, issue of Foreign Crops and Markets, the Irish chocolate crumb industry suffered a setback in 1954 due to decreased exports to the United Kingdom. A comparison of export figures for the first 9 months of 1954 and 1955 shows that a further decrease of almost 2 percent has taken place. The industry is particularly aroused over the Irish Government's decision not to protest the proposed British levy on sugar goods entering Britain from the Republic. Should the Bill be adopted, Irish manufacturers would completely lose the one advantage they have over their British counterparts--that of cheaper sugar for their crumb.

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#### NEW ZEALAND DAIRY TRADE: REVIEW OF FIRST YEAR IN FREE MARKET

The New Zealand Dairy Products Marketing Commission has announced an estimated loss of almost \$3.6 million on sales of butter and cheese during the 1954-55 season. This is a revision of an earlier estimate of \$4.8 million (Foreign Crops and Markets, December 12, 1955). An estimated net profit of \$138,000 resulted from sales of butter during the year, but the net loss in cheese sales is estimated at over \$3.7 million.

Mr. W. Marshall, Chairman of the Commission, pointed out that these figures are the result of one year's trading since discontinuance of the bulk contract with the United Kingdom; the experience gained in trading again in free markets has been invaluable. Furthermore Mr. Marshall maintained that an invisible profit of about \$800,000 had been gained in free trading. This was determined by the fact that had the bulk contract been continued at prices offered by the United Kingdom Ministry of Food, the returns for butter would have been almost \$1.7 million less, and the return on dried milk slightly more than \$0.5 million less; the return on cheese from the bulk contract, however, has netted approximately \$1.4 million more.

The butter price averaged 42.7 cents per pound ex-store London, and varied from a low of 40.1 cents per pound to a high of 49.3 cents per pound during the year. Of the 333.8 million pounds of New Zealand butter exported, Britain took 83 percent; and the remainder brought slightly higher prices at other markets.

About 13.4 million pounds of the 1955-56-season butter has been sold on the United Kingdom market at the high prices prevailing during the Christmas season; however, heavier supplies are expected on the market shortly and returns are expected to decline.

The lowest wholesale price in Britain for New Zealand cheese was 18.5 cents per pound and the highest was 33.3 cents. The average was 23.1 cents per pound ex-store London. Approximately 6 percent of the 212.8 million pounds of cheese exported during the year went to markets outside Britain for prices that averaged slightly higher.



## NEW ZEALAND INITIATES NEW WHOLESALE CHEESE PRICES

Effective October 1, 1955, a new law fixed the maximum wholesale prices of cheddar cheese for domestic consumption in New Zealand. The law applies only to cheddar cheese sold by a manufacturing dairy or wholesaler within four months after its manufacture. Only the 80-pound export, 40-pound medium, and 20-pound pancake sizes are included.

Maximum prices to wholesalers are shown below. Prices for a manufacturing dairy selling cheese to a wholesaler are 0.7 cents per pound less on all sizes.

## Maximum Wholesale Prices for cheddar cheese in New Zealand

Type of Sale	Export Size (80 Lbs.)	Medium Size (60 Lbs.)	Pancake Size (20 Lbs.)
	- - - - -cents per pound- - - - -		
Standard crated lots (crated)	22.0	22.5	22.6
Standard crated lots (uncrated)	21.4	21.8	29.9
Less than standard crate lot	21.6	21.9	22.0

EGYPT EXEMPTS DAIRY PRODUCTS  
FROM SPECIAL DUTY

The Egyptian Government has announced that some dairy products for human consumption have been exempted from payment of the recently imposed 7 percent ad valorem duty. Powdered milks, sweetened or unsweetened condensed milks (including those in airtight containers), ghee, and salted or unsalted table butter, are no longer subject to the 7 percent duty surcharge.

On September 1, 1955, the Egyptian Government imposed the 7 percent ad valorem levy as a duty surcharge on all imports. Since that date the government has been specifying exemptions to the blanket order. Previously listed as exempt were bovine animal fats (including butter) for industrial purposes--and butter (other than cocoa butter) for medicinal preparations.



U. S. NET EXPORTER OF CATTLE  
HIDES, CALF AND KIP SKINS

United States exports of cattle hides and calf and kip skins were substantially larger in the first 9 months of 1955 than in comparable months of 1954. During January-September 1955 cattle hide exports rose 10 percent over 1954. Moreover during each of these 9-month periods the United States exported 14 cattle hides to each hide imported. During all of 1954 about 12 hides were exported for each hide imported. (Cont'd., opposite page.)

UNITED STATES: Exports and Imports of Cattle Hides,  
Calf and Kip Skins, 1954, and  
January - September, 1955, with comparison

Country of destination and origin	Cattle hides			Calf and kip skins		
	1954	Jan. - Sept.		1954	Jan. - Sept.	
		1954	1955		1954	1955
		1,000 pieces			1,000 pieces	
<b>Exports</b>						
Japan.....	880	640	935	656	453	641
Netherlands.....	1,243	926	586	515	329	387
Germany, Rep. of.:	760	469	487	342	212	401
United Kingdom...	431	341	206	240	133	280
Mexico.....	206	126	560	50	18	104
Canada.....	386	275	437	349	229	400
Others.....	1,271	976	935	415	237	314
Total.....	5,178	3,753	4,145	2,567	1,611	2,528
<b>Imports</b>						
Canada.....	381	211	264	585	429	450
Denmark.....	-	5	3	50	35	25
France.....	3	1	5	123	111	75
Germany, Rep. of.:	7	5	7	-	-	44
Italy.....	3	3	3	5	5	89
Netherlands.....	1	1	2	18	18	78
Poland.....	-	-	-	119	119	140
Others.....	48	40	6	289	10	104
Total.....	443	266	290	1,189	727	1,005

Compiled in Foreign Agricultural Service from Bureau of Census Statistics.

Exports of calf and kip skins rose 57 percent during the first three quarters of 1955, as compared with the similar period of 1954. During the first 9 months of 1955 exports exceeded imports by 1.5 million skins, while in a similar period of 1954 exports exceeded imports by 900,000 skins. The quantities imported increased by 38.3 percent between these two periods. Thus, while the total quantities traded increased sharply the net balance has become increasingly favorable to the United States.

### AUSTRALIAN WOOL PRICES

Wool Prices: Average raw wool costs, clean basis, on Australian auction floors, by quality classification  
(current prices with comparisons)

Type and grade	Week Ended		
	12-16-1955	Week Earlier 12-9-1955	Year Earlier 12-17-1954
- - - - - U. S. Dollars Per Pound - - - - -			
<u>Combing Wools</u>			
70's Good	1.29	1.30	1.59
Average	1.21	1.21	1.46
64's Good	1.12	1.12	1.36
Average	1.10	1.10	1.30
60's Good	1.00	1.00	1.24
Average	.98	.98	1.19
58's Good	.92	.92	1.11
Average	.91	.91	-
56's Good	.86	.86	1.02
Average	.85	.84	-
50's Good	.80	.79	.85
Average	.79	.78	-
<u>Carding Wools</u>			
Merino	.77	.74	.82
Comeback	.71	.67	.80
Fine Crossbred	.67	.65	.79
Medium Crossbred	.66	.63	.78

Source: Wool Statistical Service of the Australian Wool Bureau.

## TRADE BARRIERS LIMIT FRENCH IMPORTS OF U.S. PACKING HOUSE PRODUCTS

Trade restrictions greatly limit imports of United States packing house products by France; although prices of many products are competitively priced. Pork livers have been imported from the United States under a "compensation arrangement" which provides dollars for such importations (See Foreign Crops and Markets, November 7, 1955.) Also, hides and skins have been imported from the United States.

France requires import permits, sets quotas on imports, and limits the use of dollars for importations. French authorities have generally, denied trade requests for licenses to import United States agricultural products. The reason for this attitude is the alleged need to conserve foreign exchange. French farmers, the meat industry, and other forces in the French economy have been forceful in persuading the French government to continue these controls even though the French dollar shortage has largely been relieved, and United States foreign aid programs have played a substantial part in France's current prosperity. France has traditionally maintained high tariffs. Since World War II this policy has been continued.

French meat prices are high in comparison with United States prices when converted at the unofficial exchange rate. For example, French hogs sold for the equivalent of 30 cents per pound, liveweight, in 1954, while in the United States hogs sold for an average of 22 cents per pound. French beef, extra grade, sold for 35 cents per pound while United States commercial cow carcasses (a roughly comparable grade) sold for 29 cents per pound. French veal carcasses, extra grade, wholesaled at 56 cents per pound while United States choice grades of veal averaged 39 cents. During 1954 wholesale prices for lard in the United States ranged from 7 to 11 cents per pound, but French lard averaged 26 cents per pound in October 1955.

### BRAZIL TO IMPORT U. S. LARD

The Brazilian Federal Price and Supply Commission (COFAP) on December 11 published tenders for the purchase of 2,000 metric tons of lard from the United States for shipment through February 28. This sale was financed under the provisions of Public Law 480, which authorizes purchase of United States farm commodities for local currencies.

The tender calls for purchase of lard packed in tins of about 37 pounds net weight.

Prices of lard in Brazil are high and supplies are low in relation to potential demand. However, commercial exports from the United States in quantity have not been possible due to the unfavorable exchange rates to obtain dollars for making purchases and high import tariffs and taxes.



## DENMARK ENTERING NEW CATTLE MARKETS, EXPANDING OLD ONES

In recent years the Danish Cattle Export Committee has conducted research in Italy in cooperation with Italian scientists to demonstrate the adaptability of Red Danish cattle to Italian conditions. Previously, Italy had banned imports of this type of cattle. However, in view of the promising results of the experiments, which were carried out under less than ideal conditions, Italy decided to remove the import ban on January 1, 1956.

Danish breeding cattle exports are increasing. In 1953, Denmark exported 1,161 head; in 1954, 1,293 head; and in the first 10 months of 1955, 1,956 head.

Principal markets for Danish cattle have been Greece, the Republic of Germany, Morocco, and Indonesia. Recently Bulgaria has evinced some interest in Danish cattle, and Yugoslavia has ordered some cattle for delivery early this year. Turkey and Israel have also been negotiating for Red Dane cattle.

In Denmark all cattle of this breed produced an average of 9,070 pounds of milk a year (4.2 percent fat), which compares favorably with the average production of cows in dairy herd improvement associations in the United States.

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## NEW FEED MILL UNDER CONSTRUCTION IN DOMINICAN REPUBLIC

A new \$200,000 poultry and livestock feed mill is under construction in the Dominican Republic, according to the Agricultural Attache there. The new feed mill, which will have a daily capacity of 25 metric tons, will use an automatic scale with push-button control of weighing and admixing most of the ingredients.

The technical director has stated that the plant will be able to turn out all types and qualities of feeds. The domestically produced ingredients to be used include peanut cake, corn, wheat standard middlings and shorts, and meat, fish, and bone meal. The items to be imported include alfalfa meal, oats, vitamins, potassium, sodium, sulphates and other chemicals.

The plant, which is the only one of its kind in the Dominican Republic, will not have a capacity sufficient for the total feed requirements of the country, but the present capacity of the feed mill can be enlarged.

## AUSTRALIA FORECASTS BETTER WHEAT HARVEST FOR 1955-56

An increase of 20 million bushels (11.9 percent) in the Australian wheat harvest has been forecast by the Australian Bureau of Census and Statistics. A crop of 188.6 million bushels is predicted, based on conditions existing in early December.

Earlier unofficial predictions of the Australian wheat harvest were 200 million bushels or better. The area sown was 10,083,000 acres, slightly less than in the previous three years and about 27 percent less than the postwar maximum area of 13,880,000 acres in 1947-48. Decreases in acreage are shown in all mainland States except South Australia.

Australia has no wheat acreage controls and present information indicates that farmers are opposed to production controls.

## AUSTRALIA INCREASES GUARANTEED WHEAT PRICE

The guaranteed wheat price under the Australian Wheat Stabilization Plan for the 1955-56 season will be 13/1 (\$1.49) per bushel, an increase of 6 pence (6 cents) per bushel over the 1954-55 season, according to a recent announcement by the Minister for Commerce and Agriculture. The announcement stated:

"The annual adjustment to the guaranteed price is based on an assessment of the movements in costs of various items involved in production that affect the cost per bushel of wheat delivered at railway sidings, together with estimated changes in freight, storage, and handling expenses. The necessary detailed data is collected by the Bureau of Agricultural Economics and is reviewed by the Wheat Index Committee.

"The Committee found that the main items of increase were storage, handling, and machinery costs. The price guaranteed by the Federal Government for up to 100 million bushels of exports from the 1955-56 wheat will therefore be 13/1 a bushel, bulk f.o.r. ports."

The prevailing export price for sales of wheat by the Australian Wheat Board under the International Wheat Agreement is close to the I.W.A. minimum. Consequently, the local price fixed under State legislation for wholesale sales of bulk wheat f.o.r. ports made by the Australian Wheat Board will be near the I.W.A. minimum. To this there is added a loading of 1½d. (1½ cents) a bushel to meet the costs of shipment of wheat to Tasmania from the mainland.



# MEXICO INCREASES COTTON PRODUCTION AND EXPORTS

Cotton production in Mexico during the July-June 1955-56 crop year is currently estimated at 2,090,000 bales (500 pounds gross) or 17 percent higher than the production of 1,780,000 bales in 1954-55. Unseasonal late rains reportedly caused considerable damage to the quality of cotton harvested late in the season. Production increases were sharpest in the Matamoros and Sonora-Sinaloa regions, increasing 38 percent in Matamoros, and 52 percent in Sonora-Sinaloa.

MEXICO: Cotton area and production by regions, 1954 and 1955

Region	Area harvested		Production 1/	
	1954	1955	1954	1955
	1,000	1,000	1,000	1,000
	acres	acres	bales	bales
Matamoros.....	525	950	329	453
Mexicali.....	450	460	442	397
Sonora-Sinaloa.....	350	700	383	581
Laguna.....	246	300	345	352
Delicias.....	125	175	187	183
Juarez.....	35	40	37	36
Don Martin.....	17	35	13	8
La Paz .....	12	30	7	22
Other.....	60	75	34	56
Total.....	1,820	2,765	1,777	2,088

1/ Bales of 500 pounds gross.

The outlook for the 1956 crop is for a somewhat smaller area to be planted to cotton in Mexico, even though the heavy rains insured a large volume of water for irrigation purposes. The downward trend in cotton prices which started early in 1955 was accentuated in the latter part of the year, and both Government and private agencies reportedly are planning to restrict credit to cotton growers, particularly in marginal areas.

Mexico's cotton exports during the August-July 1954-55 marketing year amounted to 1,253,000 bales, an increase of 31 percent over the 951,000 bales exported in 1953-54. About 70 percent of Mexico's cotton exports in 1954-55 moved through United States ports for transshipment to other countries, compared with 50 percent in 1953-54. Only 18,500 bales of Mexican cotton are permitted to enter the United States for consumption, under terms of United States import quotas for Upland type cotton. (Cont'd., next page.)



MEXICO: Direct exports of cotton by countries of destination; annual 1949-54

(Equivalent bales of 500 pounds gross)

Country of destination	Calendar years		Crop years 1/			
	1949	1950	1951-52	1952-53	1953-54	1954-55
	1,000	1,000	1,000	1,000	1,000	1,000
	bales	bales	bales	bales	bales	bales
Belgium.....	1	3	5	5	14	23
Canada.....	8	2	6	3	2/	3
France.....	2/	3	123	1	2	2
Germany, Rep. of.....	2/	0	7	6	24	20
Netherlands.....	0	0	1	4	43	20
Spain.....	0	0	2/	6	16	4
United Kingdom.....	0	0	0	9	22	15
Japan.....	0	2/	25	184	330	274
United States 3/.....	531	709	778	741	483	879
Other countries.....	1	0	27	33	17	13
Total.....	541	717	972	992	951	1,253

1/ August-July. 2/ Less than 500 bales. 3/ Mostly for transshipment. Under the United States import quota only 18,500 bales can enter annually for consumption.

Source: Anuario Estadística del Comercio Exterior de los Estados Unidos Mexicanas Revista de Estadística, Agricultural Attaches, and other United States representatives abroad.

MEXICO: Transshipments of cotton 1/; annual 1949-54

(Equivalent bales of 500 pounds gross)

Country of destination	Year beginning August 1					
	1949	1950	1951	1952	1953	1954
	1,000	1,000	1,000	1,000	1,000	1,000
	bales	bales	bales	bales	bales	bales
Belgium.....	157	132	42	108	84	122
Finland.....	2/	4	9	18	4	3
France.....	5	34	220	8	5	15
Germany, Rep. of.....	16	35	40	82	67	129
Italy.....	55	57	63	18	8	20
Netherlands.....	24	22	23	80	52	105
Spain.....	53	22	101	48	35	5
Sweden.....	7	33	24	15	12	24
Switzerland.....	14	51	14	15	15	23
United Kingdom.....	5	171	123	61	63	121
Yugoslavia.....	16	2/	1	2/	0	0
India.....	26	8	6	3	3/	2
Japan.....	12	331	211	387	328	337
Other countries.....	37	4/ 59	36	39	25	33
Total.....	427	959	913	882	698	939

1/ Includes linters, waste, gin sweepings and hull fibers but does not include transshipments to Canada by railroad and exports direct from Mexican ports to other destinations. 2/ If any, included in "Other countries". 3/ Less than 500 bales. 4/ Canada 22 (boat shipments only).

Compiled from official records of the U. S. Department of Commerce, Bureau of the Census.

Mexico's cotton consumption during August-July 1954-55 was estimated at 420,000 bales, increasing about 25 percent over the 1953-54 figure of 330,000 bales. Practically all cotton consumption in Mexico is by spinning mills.

Mexico's cotton stocks are reported as of July 1, on the basis of the July-June production year. A tentative estimate of August 1 stocks, based on July 1 stocks and July ginnings, consumption and exports, indicates that approximately 225,000 bales were held on August 1, 1955, as compared with 125,000 bales held a year earlier.

Prices of Mexican cotton have been declining since early in 1955, dropping in December to the lowest point since 1946. The average price for the first 5 months of the present season was 16 percent lower than for the corresponding period of the 1954-55 season. (Text continues, next page.)

MEXICO: Average monthly prices for Middling 15/16-inch staple cotton at Torreon, July 1953-December 1955 1/

Month	1953-54	1954-55	1955-56
	(U.S. cents per pound)		
July.....	27.55	27.14	25.12
August.....	27.03	28.75	25.44
September.....	26.77	29.95	23.98
October.....	27.19	29.42	23.44
November.....	28.11	28.40	22.86
December.....	28.33	27.96	22.38
January.....	28.31	27.62	
February.....	29.94	27.04	
March.....	31.13	<u>2/</u>	
April.....	31.77	28.16	
May.....	29.20	25.76	
June.....	25.94	25.64	

1/ Prices exclude export tax of 5.54 cents per pound. 2/ Not available.

#### JAMAICA ALLOCATES ADDITIONAL DOLLARS FOR IMPORTS

An additional \$2 million was allocated by the Jamaican government in 1955 for purchase of dollar products, according to the Ministry of Trade and Industry. This is in addition to the ordinary dollar allocation and trade liberalization plans with the United States and Canada, and was said to be designed to reintroduce to the Jamaican market some dollar commodities, import of which had been curtailed to conserve dollar expenditures.

There has been a considerable increase in the number of gins and the number of gin stands in Mexico during recent years. There has also been much improvement of existing gins. All gins in Mexico are saw gins. The number of gins and gin stands in the principal producing States of Mexico as of December 20, 1955, was as follows:

MEXICO: Number of cotton gins and gin stands, December 1955

State	Number of gins	Number of gin stands
Tamaulipas.....	106	517
Coahuila (Torreón).....	95	343
Coahuila (Allende).....	1	2
Sonora.....	55	261
Sinaloa.....	22	95
Chihuahua.....	46	216
Baja California Norte. (Mexicali).....	45	211
Nuevo León.....	9	43
San Luis Potosí.....	4	15
Baja California Sur (La Paz and Santo Domingo).....	3	14
Veracruz.....	1	4
Other States.....	9	26
Total.....	396	1,747

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SLIGHT IMPROVEMENT IN  
VENEZUELA'S 1955-56 COTTON CROP

Improved prospects for Venezuela's 1955-56 cotton crop, now being harvested, indicate that production will reach approximately 12,500 bales (500 pounds gross), as compared with earlier estimates of only 9,000 bales. Production in 1954-55 amounted to 14,000 bales.

Cotton consumption in Venezuela amounts to approximately 20,000 bales per year, with the deficit in supplies made up by imports, principally from other Latin American countries. No expansion of cotton acreage is foreseen.



TURKEY'S COTTON EXPORTS  
DECLINE IN 1954-55

Turkey's cotton exports amounted to 233,000 bales (500 pounds gross) in the August-July 1954-55 marketing year, declining 38 percent from exports of 377,000 bales in 1953-54, and 46 percent below the 433,000 bales exported in 1952-53. The declines were registered for nearly all countries shown, but were most marked for Italy and the Republic of Germany.

TURKEY: Exports of cotton by countries of destination;  
average 1933-37; annual 1950-54

(Equivalent bales of 500 pounds gross)

Country of destination	Year beginning August 1					
	Average	1950	1951	1952	1953	1954
	1933-37					
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Austria.....	0	4	2	7	1/	10
Czechoslovakia.....	1	27	20	25	30	16
Finland.....	0	7	0	8	15	2
France.....	1/	25	61	74	41	67
Germany, Rep. of.....	43	167	131	116	26	53
Hungary.....	0	11	16	31	19	9
Italy.....	11	34	9	122	53	23
Netherlands.....	0	4	1	7	0	1/
Poland.....	2	3	2	7	31	6
Sweden.....	0	1/	0	4	0	0
United Kingdom.....	1/	32	9	3	2	1/
Yugoslavia.....	0	0	0	18	57	21
Japan.....	9	16	1	0	52	1
Other countries.....	3	19	9	11	2/ 51	25
Total.....	69	349	261	433	377	233

1/ Less than 500 bales. 2/ Israel 25.

Source: Statistique Mensuelle du Commerce Extérieur; Agricultural Attaches, and other United States representatives abroad.

The outlook for cotton production in Turkey during the August-July 1955-56 marketing year indicates a crop of approximately 600,000 bales, 8 percent lower than the 1954-55 crop of 650,000 bales and 6 percent below the 1953-54 crop of 638,000 bales. No major change in cotton acreage has taken place in the 3-year period, estimated at 1,480,000 for 1955-56, 1,440,000 for 1954-55, and 1,495,000 for 1953-54. (Cont'd, next page.)

Most of Turkey's cotton is ginned by roller gins, with a ratio of roller to saw gins of about 3 to 1.

Number of roller gins	305
Number of stands	400

Number of saw gins	100
Number of stands	100

The Government has announced an increase in the price support for the 1955-56 cotton crop, increasing the prices offered to growers from 105 to 120 kurus per kilogram for Acala Grade I (unginned), equivalent to an increase of from 17.00 to 19.43 U. S. cents per pound. The guaranteed price for Acala Grade I ginned cotton on the Izmir Bourse was fixed at 300 kurus per kilo, equivalent to 48.58 cents per pound.

Turkey's cotton consumption amounted to 375,000 bales in 1954-55, an increase of 36 percent from consumption of 275,000 bales in 1953-54. The upward trend in cotton consumption is expected to continue for several years, and some observers predict that within 5 years the country will be utilizing its entire cotton crop. The Turkish textile industry is expanding to meet internal demand, and in addition the Government is expecting to import considerable quantities of cotton textiles. The market for cotton textiles in Turkey is strong.

Cotton stocks in Turkey on August 1, 1955, were estimated at 150,000 bales, up 20 percent from stocks of 125,000 bales held a year earlier.

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#### JAPAN PLANS TO CONTROL EXPORTS OF COTTON FABRICS AND SECONDARY PRODUCTS

Effective December 21, 1955, the Japanese textile industry has added numerous cotton textile and apparel items to its export validation procedure, in order to control the quantity of such items exported to the United States. The list of primary and secondary products now requiring export license includes such items as bleached and unbleached fabrics, velveteen and corduroy, shirts, sweaters, blouses, dresses, sheets, and other manufactured products.

NETHERLANDS' NEW WHALER TO  
TAKE PART IN 1955-56 EXPEDITION

During the coming (1955-56) Antarctic whaling season the Netherlands will participate with its new whaler for the first time. This factory ship, the "Willem Barendsz," is the largest ship of the Netherlands merchant marine. It will be accompanied by 18 catchers, as compared with the 12 catchers that took part in the 1954-55 expedition. (Total production of oil from the 1954-55 expedition was approximately 12,070 short tons.)

To date, 16,535 tons of the 1955-56 production of whale oil have been contracted for in advance; 11,023 tons thereof at \$217 per short ton and the remaining 5,512 tons at \$216 per ton. In addition, 2,756 tons of sperm oil have been contracted for at \$178 per ton.

The 1954-55 season's first quality whale oil sold for \$213 per short ton; the average price for sperm oil was \$182 per ton.

INDIA TO INITIATE QUALITY CONTROL  
ON OILSEEDS AND OIL EXPORTS

Compulsory quality control on all exports of oils and oilseeds will be imposed by the Government in about six months, according to an announcement made recently in Bombay by a Ministry of Food and Agriculture official. Under the proposed system--details of which are being worked out--samples will be drawn at the port from all shipments of vegetable oils destined for export. Upon analysis at laboratories to be established at the principal export points, an "agmark" certificate will be issued to the exporter indicating the grade and full results of the analysis.

Representative samples of peanuts will also be drawn from each export lot and labels indicating the results of analysis will be affixed to each bag. A charge is to be levied for the service, in order to make the control system self-supporting.

GREEK OLIVE OIL ESTIMATE REDUCED AGAIN;  
EXPORTS BANNED AS PRICES SHOOT UP

According to latest reports, the current Greek olive oil crush is now officially forecast at less than 100,000 short tons, down one-third from the figure reported in Foreign Crops and Markets on November 28, 1955, and 20,000 tons below last season's poor crop. Even this figure may be too optimistic, according to the producers' organization, which believes that the outlook is for barely 90,000 tons this year. (Cont'd., next page.)



Withholding of olive oil by dealers and producers has already driven prices up sharply, and further price increases are expected unless imported seed oil becomes available shortly. Meanwhile, the Government is attempting to stem the advance temporarily through a ban on exports of olive oil which became effective in mid-December. Import duties and taxes on imported seed oils have also been temporarily abolished.

More than 35,000 tons of seed oils may be imported from the United States during the current season to relieve the situation further.

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#### JAMAICA ANNOUNCES FLOUR IMPORT SPECIFICATIONS

The Jamaican Government has announced that all imported wheat flour should be fortified or enriched with the following ingredients:

	Milligrams for each pound of flour	
	<u>Minimum</u>	<u>Maximum</u>
Thiamine	2.0	2.5
Riboflavin	1.2	1.5
Niacin	16.0	20.0
Iron	13.0	16.5

A notarized certificate signed by the chief executive or chief chemist of the originating flour mill must accompany the flour shipment, certifying that the flour supplied has been enriched with the ingredients outlined.

The United States was the major supplier of flour to Jamaica during the first half of 1955.

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#### PUBLICATIONS RELATING TO U. S. FOREIGN AGRICULTURAL TRADE

Issued recently and available free upon request from  
the Foreign Agricultural Service, U. S. Department of  
Agriculture, Washington 25, D. C.

Competitive Aspects of Burmese Agriculture. Foreign Ag. Circ. FATP-47-55

The Agricultural Situation in the Philippines. Foreign Ag. Circ. FATP-46-55

Soviet Satellites Plan to Expand Corn Cultivation. Foreign Ag. Circ.  
FATP-48-55

URUGUAYAN GOVERNMENT DECREES  
EXPORT PAYMENT FOR WOOL TOPS

A Uruguayan Government Decree of December 28, 1955, authorizes export payments on wool tops and broken tops (retroactive to September 15) of 14 centesimos for each dollar's worth of exports through December 31, 1955; 9.38 centesimos for the first quarter of 1956; and 4.7 centesimos for the second quarter.

The retroactive feature of this Decree coincides with the September Decree which authorized export payments for raw wool. The corresponding export payments authorized for raw wool for the above periods were 21 centesimos, 14, and 7, respectively.

TASMANIAN APPLES DAMAGED BY HAIL

Approximately 500,000 boxes of apples in the Huon Valley of Tasmania reportedly were recently damaged by a severe hailstorm. The storm struck near the town of Geeveston in the heart of Tasmania's apple-growing district. This estimate will probably be revised as the full extent of the damage becomes known.

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